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## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY	Burma	REPORT NO.	25X1.
SUBJECT	Conditions in the Tavoy-Mergui Area	DATE DISTR.	23 October 1953
2	25X1A	NO. OF PAGES	2
DATE OF INFO.		REQUIREMENT NO.	RD
PLACE ACQUIRED	*	REFERENCES	

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.

THE APPRAISAL OF CONTENT IS TENTATIVE.

(FOR KEY SEE REVERSE)

SOURCE:

- 1. General unrest in the Tavoy District has caused a decrease in the production of tin to about one-quarter of the pre-World War II figure. The price of tin has fallen to one-third the 1951 figure. The fall in the price of tin has caused widespread unrest. Some of the Burmese troops in the area actually turn to robbery at night. On 21 July, three armed men attacked the proprietor of an Indian shop adjacent to the Tavoy General Hospital. The proprietor overpowered one of the bandits who was armed with a Sten and a rifle, and the other two fled. No action has been initiated in this matter by either the police or the military.
- 2. Large tin mining concerns have moved their headquarters because of the threat of insurgent action and the lack of adequate military or police protection. Some time ago the tin mining companies requested the military authorities in Tavoy to supply guards for their offices. The companies offered to pay for the maintenance of such guards. The military authorities stated that they had insufficient men for this purpose, but agreed to supply arms for civilian guards hired by the firms. A group of surrendered insurgents were engaged as guards, but they proved completely unreliable. Finally, the managers of the companies informed the District Commissioner and the military that they had no choice but to relocate their offices closer to the center of town.
- 3. In mid-July 1953, the office of the Consolidated Tin Mines (Burma) (CTMB) was subjected to armed robbery. On 18 July the CTMB, High Speed Steel Alloy Company (HSSA), and other tin mining companies began moving their offices away from the Tavoy River front into former private residences located in more central areas of the town. The offices had all been moved by 23 July. At the present time, the general managers of these concerns stay close to their new locations and rarely go down to their separators and workshops which are still set up along the waterfront. The managers are also afraid of being kidnapped.

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- 4. Except for the town of Mergui, the Mergui District is falling more and more under Burmese Communist control. Large numbers of the Communists infiltrate from Tavoy District and are creating havoc in the Burmese villages, particularly if any resistance is offered. Burmese troops quartered in the towns of Palaw (N 12-58, E 98-39), Palauk (N 13-16, E 98-37), and Pe (N 13-27, E 98-29) are retained in these places and not sent out to aid the Burmese villagers under attack by the Communists.
- 5. In July, the Communists fired upon a Burmese vessel plying between Palaw and Mergui and killed four or five passengers. Except for the Mergui-Tavoy highway, Mergui District has very poor roads and the local population depends heavily on water transport.
- 6. Karen villagers living between the insurgent and Government of Burma (GOB) forces in this area are undergoing a heavy burden of taxation. They are reluctant to ally themselves with either side and, as a result, they are paying taxes to both. Karens are permitted to capture wild elephants in both districts. More timber is being extracted from areas where there are no forest roads and there is an increased need for elephants.
- 25X1A 1. Comment. Probably Communist Party (Burma) insurgents. In late 1952, another agency reported that Bo SET KYA aka U AUNG THAN, who owns the Yawa Tin Lode Mines near Mergui, had requested that the GOB Ministry of Mines and Industries permit him to reopen his mine and negotiate with the Karen National Defense Organization insurgents in the area. At that time, Bo SET KYA indicated that there were two pockets of Communist Party (Burma) insurgents in this area.